

New Hampshire Retirement System – Responses to RFP Questions (September 20, 2005)

The following are written answers to the questions the NHRS received related to the RFP for investment consultant services:

1. Do private equity consultants need to have 5 years experience in order to be considered?

If the general investment consultant has met the five-year experience requirement, then we will factor that into our evaluation process for private equity consulting.

2. For the trading cost analysis, what information does the report from the custodian contain?

The custodian provides quarterly reports listing transaction-level detail including the specific securities traded on a specific date, the amount of commission charged and the principal amount traded.

3. Does NHRS anticipate the use of independent deals, participation in individual funds or fund of funds arrangements for primary implementation of its private equity and/or real estate investments?

The NHRS allocation to absolute return strategies is handled in a fund of fund structure. However, the NHRS has not invested in independent deals or fund of funds with regard to private equity investments. Most of our participation in private equity investments are as a limited partner in the venture capital funds, buyout funds, timber funds, and absolute return strategies.

The real estate assets are invested in core and non-core real estate investments. The core real estate investments are managed by two discretionary managers. The non-core real estate investments are managed by a separate manager and these assets are invested in open and closed-end real estate funds.

4. Would NHRS be amenable to a revision to the contract to refine the fiduciary status language? Specifically, the addition of language specifying and acknowledging our fiduciary status with respect to the specific duties and responsibilities of the consultant?

In the absence on any specifics, the NHRS can certainly be open to the idea of discussing the fiduciary status language.

5. With regard to the contract section pertaining to bonding, we carry \$5 million in professional liability insurance and in so much as we do not maintain assets on behalf of our clients, is this sufficient?

The RFP does not specify the amount of coverage; however, it does require an error and omission insurance policy providing a prudent amount of coverage for negligent acts or omissions.

6. Could you please provide an asset allocation breakdown including manager mandates?

Please see attached ‘Summary of Assets’. Also, please refer to annual report on our website (<http://www.nh.gov/retirement/2004cafr.pdf>).

7. Are the monthly meeting dates predetermined? If so, could you please share those dates?

The NHRS Board of Trustees meets every month on the second Tuesday of the month.